

# Exhibit A

**U.S. v. Marvin Nelson**  
**CR 07-00364 CW**

**E-filing**1 SCOTT N. SCHOOLS (SC 9990)  
2 United States Attorney  
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7FILED  
2007 JUN - 7 PM 12:35  
RICHARD W. HICKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 OAKLAND DIVISION11  
12 UNITED STATES OF AMERICA, )  
13 Plaintiff, )  
14 v. )  
15 MARVIN NELSON, )  
16 Defendant. )  
17  
18

No. CR07-00364 CW

VIOLATION: Title 18, United States Code,  
Section 641 - Theft of Government Property

OAKLAND VENUE

19 INDICTMENT

20 The Grand Jury charges:

21 COUNT ONE: (18 U.S.C. § 641 – Theft of Government Property)22 On or about and between approximately February 1989 and January 2007, in the Northern  
23 District of California and elsewhere, the defendant,

24 MARVIN NELSON,

25 did knowingly embezzle, steal, purloin, and convert to his use money and things of value  
26 belonging to the United States and a department and agency thereof, namely, approximately  
27 \$132,000 in United States Railroad Retirement Board benefits payable to Betty B. Nelson, and  
28 did receive, conceal, and retain such money and things of value with the intent to convert it to his

INDICTMENT

1 gain, knowing it to have been embezzled, stolen, purloined, and converted, all in violation of  
2 Title 18, United States Code, Section 641.

3

4 DATED: June 1<sup>st</sup>, 2007

A TRUE BILL.

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7 SCOTT N. SCHOOLS  
United States Attorney

  
W. DOUGLAS SPRAGUE  
Chief, Oakland Branch

  
FOREPERSON

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(Approved as to form: ASD by ady)  
ALICIA FENRICK  
Assistant United States Attorney

INDICTMENT

# Exhibit B

U.S. v. Marvin Nelson  
CR 07-00364 CW



## OFFICE OF INVESTIGATIONS

**FILE NO:** C-2007-0674

**DATE:** March 15, 2007

**REPORT OF:** SA Todd Gearman

**OFFICE:** Chicago, IL

**DISTRIBUTION:** 1 – U.S. Attorney, Northern District of California

1 – Case File

### SECTION A – NARRATIVE

The Office of Inspector General, Office of Investigations (OIG/OI), U.S. Railroad Retirement Board (U.S.RRB), initiated this investigation of Marvin Nelson, social security number 456-15-9355 on 11/28/2006. The OIG/OI opened this case based on a referral initiated by the U.S. RRB's Policy and Systems division. The Policy and Systems division discovered this case while comparing Social Security Numbers listed in the Social Security Death Index database (SSDI) to all U.S. RRB annuitants who are currently receiving U.S. RRB benefits. The SSDI database match indicated that U.S. RRB widow annuitant Betty B. Nelson, social security number 460-28-1250, died February 2, 1989.

The U.S. RRB is an independent agency in the Executive Branch of the Federal Government. The U.S. RRB takes the place of Social Security for railroad workers and their eligible family members. The U.S. RRB's primary function is to administer comprehensive retirement, disability, survivor and unemployment/sickness benefit programs for the nation's railroad workers and their families as outlined under the Railroad Retirement (RRA) and Railroad Unemployment Insurance Acts (RUIA).

In an attempt to clarify the conflicting death information, Agents visited the current address on file for Betty Nelson. The current address listed in U.S. RRB records was 2537 Watson Street, Castro Valley, CA 94546. On January 29, 2007 Agents were greeted at the residence by Marvin Nelson. Marvin identified himself as the son of Betty Nelson. Marvin stated his mother is currently in Arizona staying in shelters. Marvin described her as a nomadic or transient person. Marvin stated Betty stays with him in March or April. Marvin stated his mother contacts him at the beginning of the month so he can send the U.S. RRB benefit treasury check to her. Agents advised Marvin that they needed to personally speak with Betty. Marvin stated he would get Betty's location the next time he talked to her and pass it on to the agents (**Report of Interview-page a**).

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Photo static copies of U.S. Treasury checks issued to Betty B. Nelson from January 2, 1999, through January 2, 2007, were administratively obtained by the OIG/OI. U.S. Treasury checks issued prior to January 1999 are no longer available. All of the U.S. Treasury checks were endorsed with Betty Nelson. A stamp on the reverse of the U.S. Treasury checks indicate that most of the checks were negotiated at Bank of America (**Evidence 1**).

The OIG/OI obtained a Death Certificate from the state of Texas Vital Statistics, which confirmed that U.S. RRB widow annuitant Betty Nelson had died February 2, 1989 (**Evidence 2**).

A review of Betty Nelson's U.S. RRB records was conducted by the OIG. The review disclosed that Betty Nelson's U.S. RRB benefits were issued by means of U.S. Treasury checks from 1977 to January 2, 2007. From November 15, 1989 through September 30, 1996 the checks were mailed to 887 40<sup>th</sup> Ave., San Francisco, CA 94121. Effective October 23, 1996 through September 30, 1998, an unknown individual(s) changed the U.S. RRB account address and had the U.S. Treasury Checks mailed to 1918 29 Ave., San Francisco, CA 94116. Effective October 1, 1998, through March 22, 2006 an unknown individual(s) once again changed the U.S. RRB account address and had the U.S. Treasury checks mailed to 623 Santa Clara Ave. #B, Alameda, CA 94501. Effective March 23, 2006 an unknown individual(s) changed the U.S. RRB account and had the benefit checks mailed to 2537 Watson S., Castro Valley, CA 94546. All of Betty Nelson's address changes closely correlate to address changes listed for Marvin Nelson in public records databases. All of the checks that were available for review appear to have been negotiated at Bank of America.

Marvin Nelson is a white male, has brown hair, blue eyes, is 6 feet tall and weighs approximately 195 pounds. His social security number is 456-15-9355 and his date of birth is 12/13/1959. Nelson currently resides at 2537 Watson Street, Castro Valley, CA 94546. Nelson's home telephone number is (510) 888-9232. A check with NCIC revealed that Nelson has a prior criminal history. Nelson was sentenced in November of 1986 for Credit Fraud. The U.S. Secret Service was the arresting agency for that offense. There is a possibility Nelson was fraudulently receiving his mother's U.S. RRB benefits while he was on probation for this arrest. See Section E, page 2 for details.

The U.S. RRB calculated the total fraudulent benefits issued after the death of U.S. RRB widow annuitant Betty Nelson as \$132,968.68. This overpayment is reflected on U.S. RRB Monthly Annuity Payments Worksheet dated February 26, 2007 (**Evidence 3**).

In summary, from February 1989 through January 2007, Marvin Nelson illegally received, endorsed, and negotiated U.S. RRB annuity checks issued in the name of his mother, Betty Nelson. Nelson's criminal acts resulted in the theft of \$132,968.68 in U.S. RRB administered benefits.